



FCC Anti-Slamming Rules - The Need for Clarification

Ex parte presentation

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New Anti-Slamming Rules Beg for Clarity

- ◆ Enforcement in hands of states
- ◆ 51 potential jurisdictions
- ◆ 51 potential sets of interpretations
- ◆ States already have their own set of rules
 - ◆ Naive to imagine they will not apply their rules
 - ◆ State rules will influence interpretation of FCC rules
- ◆ Uneven enforcement is unfair to:
 - ◆ Consumers; should expect law applied equally
 - ◆ Marketers; expect national operations
 - ◆ ILECs; to treat marketers evenly across states
 - ◆ States - to avoid being overrules later



Variations in State Verification Rules

- ◆ Florida - Requires customer name and address, certification name of the provider, states that the change applies only to the numbers requested and only one PIC per level per line, that the LEC may charge a fee for each change.
- ◆ Illinois - Requires consumers name and address and number of lines, name of carrier being replaced, disclosure that only one carrier can be selected per line per level, disclosure that a fee may be charges for the carrier change.
- ◆ Indiana - Requires disclosure of toll free number to verify if change has occurred, one PIC per line per level, disclosure that PIC change applies to both inter and intraLATA unless customer directs otherwise.
- ◆ Louisiana - The date and time of the call, verification of the services, including the calling plan offered and all feed or charges assessed in exchange for the switch, a statement of the certificated name of the provider, disclosure that the change may involve a charge for changing and could involve a charge for changing back.



Variations in State Verification Rules

- ◆ Massachusetts - For residence, must ask if the customer is the customer of record. If no, must ask if the person is authorized.
- ◆ Montana - Reference to use of another carrier or network must be secondary, that the person being verified is the subscriber or a person authorized by the subscriber, the name and toll free number of the new telephone company.
- ◆ South Dakota - Reference to use of another carrier or network must be secondary, that the person being verified is the subscriber or a person authorized by the subscriber, the name and toll free number of the new telephone company.
- ◆ Tennessee - Request whether the end user would like to verify now or wait until a later time, verify that the end user is an authorized individual by stating the customer's birthday or other appropriate information, ask the following (verbatim): "Do you approve to change your service (i.e. local, interLATA, and/or intraLATA) to (company name)? The end user must respond "yes" or the TPV must terminate; an explanation of what services are about to be changed and the approximate time frame in which the change will occur, a statement whether the end user authorizes the change of carrier for the particular service and a statement at the end of the conversation confirming that a request will or will not be submitted to the end user's LEC to change his preferred PIC.



Potential for Variant Interpretations

- ◆ Automated verification
 - ◆ Uncertainty as to meeting FCC rules
- ◆ Scripting requirements
 - ◆ Vary from state to state today
- ◆ Language requirements
 - ◆ Does language of sale need to match language of verification?
- ◆ Procedural requirements
 - ◆ Must customer initiate the call
 - ◆ Can the sales representative be on the call?



Automated Third Party Verification

- ◆ FCC should affirm Automated TPV with caveats
 - ◆ Consistent with FCC actions/industry practice
 - ◆ Better Slamming Protection
 - ◆ 100% Consistency in Question Presentation
 - ◆ Provides Verbatim Recording of Transaction
 - ◆ Less Expensive than Live Operators
 - ◆ Available in Any Language
 - ◆ Enhanced Slamming Protection Available
- ◆ Caveat: automated verification should include the same level of protection as live operator verification

Automated Consistent with FCC Action/Industry Practice



- ◆ Electronic verification affirms validity of automated
- ◆ Limited waiver granted to Bell Atlantic for PIC freezes
 - ◆ Acknowledges other forms of customer ID
 - ◆ Customer number vs. ANI
 - ◆ Automated TPV provides recording for customer ID
- ◆ Industry practice support automated
 - ◆ VoiceLog has over 200 clients
 - ◆ At least five other vendors beyond VoiceLog

Better Slamming Protection Available Through Automated TPV



- ◆ No deviation from script
- ◆ Scripts are easily verifiable
- ◆ Live operator review available
- ◆ Supervisory review available
- ◆ ANI capture & callbacks stop imposters

100% Consistency in Question Presentation



- ◆ All questions are pre-recorded
- ◆ Professional voice talent
 - ◆ clear voice
 - ◆ Designed for easy comprehension
- ◆ Can be customized by state
- ◆ Available in any language



Verbatim Recording of Transaction

- ◆ The complete record
 - ◆ Questions as played to customer
 - ◆ Answers as provided by customer
 - ◆ Anything said while questions are played (dual channel recording)
- ◆ Shows whether customer is confused
- ◆ Audit trail documents integrity
- ◆ Can't be manipulated by service provider
- ◆ Easy to review remotely



Less Expensive Than Live Operator

- ◆ Up to 75% Less Than Live Operator
 - ◆ As little as \$0.50 per transaction
- ◆ No Capital Required
- ◆ Easily Implemented
- ◆ Enhances Competition
- ◆ Eliminates Objections about Implementation



Enhanced Slamming Protection Available

- ◆ ANI (Caller ID)
- ◆ Automated Call-Backs
 - ◆ Beats “imposter” customers
- ◆ Supervisory Review
- ◆ Speaker Verification
- ◆ Statistical Quality Controls



Scripting Requirements

- ◆ FCC should promote consistency in scripting
 - ◆ Difficult to administer multiple scripts
 - ◆ Variations do not add much to substance
 - ◆ Potentially conflicting direction
 - ⇒ “Subscriber” vs. “customer of record”



Language Requirements

- ◆ FCC should promote consistency in language use
- ◆ Double-standard between LOAs and TPV
 - ◆ Sales material and LOA must be same language
 - ◆ No similar requirement for TPV
- ◆ Automated TPV makes language consistency easy



Procedural Requirements

- ◆ FCC should allow procedures that facilitate automated TPV
- ◆ Customer initiation of calls
 - ◆ Should be an option, not a requirement
 - ◆ Some states suggesting as requirement
 - ◆ Loses many sales for no reason
- ◆ Sales rep should be allowed on the call
 - ◆ Double-standard between TPV and LOAs



Client Comments About VoiceLog

"VoiceLog is the best third party verification company we have used. In addition to saving us an incredible amount of money, our customers like it, our customer service people like it and the sales reps like it. I would recommend VoiceLog to anyone looking for a verification company."

"I'm amazed at how much my customers prefer [VoiceLog]. It's always available on the first ring, always courteous, polite and consistent, and we've never had even a minute of downtime."

"...we are extremely pleased with VoiceLog and the performance of the VoiceLog systems. It has not only been a great benefit at the point of sale, but crucial to lowering the costs associated with processing "bad" orders and dealing with complaint calls regarding unauthorized switching."

"The VoiceLog process has allowed us to rapidly move a large block of customers and really cemented our relationship with the distributor. The distributor loves it, the customers love it, we love it and our lawyers love it."

"I highly recommend doing business with VoiceLog. We are planning to introduce VoiceLog for all our independent agents."

"...we have been extremely pleased with the VoiceLog service compared with our previous third party verification company."

"...we're very excited about doing VoiceLog verifications in Mandarin, Cantonese and Vietnamese. ...verifying "in language" with live reps is extremely painful and costly. VoiceLog will solve those problems."

"Simply put, the VoiceLog system provides for a quick and painless method to obtain the LOA for both the customer and the company."

"...we firmly believe that the VoiceLog system is a critical time-saver and cost savings tool and will allow massive channels of distribution to work more efficiently than 3rd party verification done by operators."

"Enroller [sales representative] efficiency is greatly improved. In fact, enroller capacity...is now in the 35 range as compared to 24-26." VoiceLog's automated capability and the custom tailored messages in all languages is ideal. "

"System down time has been very close to zero... the restoration time has been all but immediate."

"It is our impression that the VoiceLog system has a very positive impression value and that the client simply does not think in terms of denying his or her request for service change."

"In summary, we are so delighted with electronic TPV we use it on every call without any exception. We recommend it."

"...after a few weeks using VoiceLog the reps reported how simple it was to verify customers..."



Client Comments About VoiceLog

I have been working with VoiceLog for a few months now and just wanted to let you know that Telegroup is very pleased with the service."

"The professionals at VoiceLog have been very effective in meeting time requests and have also been effective in responding to account questions and billing requests."

"The VoiceLog service is efficient and customer friendly."

"Superior Customer Service"

"VoiceLog was a simple, efficient and cost-effective solution to our order verification problems."

"I consider VoiceLog to be such a competitive advantage that I am unwilling to give my name and company name."

"I wanted to drop you a quick note to express our enthusiasm - *and our thanks* - for your automated third party verification system."

"...VoiceLog is everything we wanted in TPV, *and less*. Less hassle, less time, less administration and less cost!"

"Both our customers and our agents appreciate VoiceLog's speed, accuracy and simplicity."

"It's the perfect third party verification solution."

"I am writing you to let you know how pleased ACC is with our new VoiceLog verification system."

"It has been very useful and has expedited the sales process of the company tremendously."

"The VoiceLog system was easy to train our sales and customer service people on."

"The scripts that you have provided for us were not only in compliance with the FCC but very professional as well as friendly."

"Your exceptional customer service was a delight. You have been able to address concerns in a more than timely fashion and knew exactly what we needed.... You have been a joy to work with and I would recommend your service to a myriad of companies."

"Once again, your unique products and custom automated platform have enabled us to differentiate ourselves from the competition."

"... VoiceLog system is very easy. Our telemarketers and our customers seem to prefer the automated system."



Client Comments About VoiceLog

"Just a little note of thanks for the job you and VoiceLog have done for use here at Global Telephone Corporation."

There is never an issue of courtesy, clarity or purpose. With about 20,000 calls to date, we have never had a complaint from either a client or an enroller."

"VoiceLog provided many solution for us. Before accepting a new customer, we can electronically match the BTN from your VoiceLog system to that same BTN submitted electronically through our back-office system, GOLD...We can service the customer and regulatory authorities better through our ability to instantly access the account in question."

"The marketing rooms now have a high quality, efficient system, a better handle on the efficiency of their rooms, and a speedy process to control the quality and time of a marketer. Basically, all the people in the process are happier now that we have VoiceLog."

"Using the VoiceLog system is very easy."

"...the ability to instantly retrieve every transaction makes quality control fast and easy."